GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

STARRED QUESTION NO:445
ANSWERED ON:25.08.2006
GRANTS TO STATES WITHOUT UTILISATION CERTIFICATE .
Tripathy Shri Braja Kishore

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) Whether it is mandatory for States to furnish progress reports of implementation of all the rural development schemes for grant of further instalments;

(b) If so, whether some States have been provided further instalments of funds under various rural development schemes even without obtaining progress reports/utilization certificates during 2004-05 and 2005-06;

(c) If so, the details thereof and the reasons therefor;

(d) Whether the Government has conducted any enquiry in this regard;

(e) If so, the details thereof and the outcome of such enquiry; and

(f) The further action taken/to be taken in this regard ?

Answer

MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH)

(a) to (f) A Statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No. 445 due for answer on 25.08.2006.

(a) to (c) The Ministry of Rural Development implements various schemes through State Governments/Union Territory Administration for poverty alleviation, area development, rural connectivity and other basic amenities to rural population of the country. According to programme guidelines, the first instalment is released automatically without insisting on proposal, if the implementing agency has taken the 2nd instalment in the previous year without any condition. In case of 2nd instalment or other instalments the State Governments are required to furnish financial and physical progress reports of implementation of each programme and utilization certificates for funds, at the time of submission of proposals for release of funds.

The Ministry of Rural Development has not released further instalments of funds under any of the schemes without obtaining progress reports/utilization certificates in 2004-05 and 2005-06. However, funds were released under Swarnjayanti Gram Swarojgar Yojana (SGSY) in advance, without obtaining utilization certificates to tsunami affected districts of Andhra Pradesh and Tamil Nadu and the Union Territories of Andaman & Nicobar Islands and Pondicherry during 2004-05. Next year, all conditions of previous years were fulfilled.

Under Indira Awaas Yojana (IAY), the 2nd instalment was released to the States of Andhra Pradesh and Bihar and the Union Territory of Andaman & Nicobar Islands in advance when they were affected by floods in 2004-05 after obtaining utilisation certificates for 40% instead of 60% of funds earlier released and normal procedure was applied in 2005-06.

Under the Sampoorna Grameen Rozgar Yojana (SGRY), funds were released to the District Rural Development Agencies of Bihar after receiving utilisation certificates and audit reports, but the second instalment was released conditionally keeping in view drought and floods faced by the State in 2004-05. In 2005-06, utilisation certificates and audit reports were received from all District Rural Development Agencies of Bihar and the second instalment was again released conditionally after certification of expenditure to the extent of 60% of total available funds during the year. The conditions imposed at the time of release of the 2nd instalment in 2004-05 and 2005-06 have to be fulfilled by the State governments in 2006-07.

Further, intalments were also conditionally released to specific districts of States by relaxing conditions of shortfall in matching State share under SGRY, to Punjab, Arunachal Pradesh and Assam. Similarly, in case of SGSY and IAY, relaxation was made for the State of Assam. Relaxation in respect of excess carry over balance under IAY in 2005-06 was also given to selected district in Bihar, Karnataka, J&K and Uttar Pradesh.

(d) to (f) The Ministry of Rural Development has not conducted any enquiry as there was no release/grant to any State without obtaining progress reports and utilisation certificates in 2004-05 and 2005-06.